



**NORTHISLE**  
COPPER AND GOLD INC.

TSX-V: NCX



DECEMBER 2020

# Corporate Presentation

***BUILDING THE LEADING SUSTAINABLE MINERAL  
RESOURCE COMPANY FOR THE FUTURE***

## Cautionary Disclaimer Regarding Forward-Looking Statements and Information

Certain of the statements and information in this press release constitute “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995 and “forward-looking information” within the meaning of applicable Canadian securities laws. Forward-looking statements and information generally express predictions, expectations, beliefs, plans, projections, or assumptions of future events or performance and do not constitute historical fact. Forward-looking statements and information tend to include words such as “may,” “expects,” “anticipates,” “believes,” “targets,” “forecasts,” “schedules,” “goals,” “budgets,” or similar terminology. Forward-looking statements and information herein include, but are not limited to, statements with respect to the completion of the Proposed Arrangement and the expected structure thereof; anticipated shareholder, court and regulatory approvals; and the expected timing of closing of the Arrangement. All forward-looking statements and information are based on NorthIsle’s or its consultants’ current beliefs as well as various assumptions made by and information currently available to them. These assumptions include, without limitation that shareholder and court approvals to the Proposed Arrangement will be obtained in a timely manner, and that regulatory approvals will be available on acceptable terms. Although management considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. Forward-looking statements and information are inherently subject to significant business, economic, and competitive uncertainties and contingencies and are subject to important risk factors and uncertainties, both known and unknown, that are beyond NorthIsle’s ability to control or predict. Actual results and future events could differ materially from those anticipated in forward-looking statements and information. Examples of potential risks are set forth in NorthIsle’s annual report most recently filed with the U.S. Securities and Exchange Commission and the Canadian Securities Administrators as of the date of this press release. Accordingly, readers should not place undue reliance on forward-looking statements or information. NorthIsle expressly disclaims any intention or obligation to update or revise any forward-looking statements and information whether as a result of new information, future events or otherwise, except as otherwise required by applicable securities legislation.

*John McClintock, P Eng. is the **Qualified Person** responsible for the technical content of this presentation*

# The Time is NOW for Northisle

## Robust Copper-Gold Project<sup>1</sup>

- ▶ **Superior economics with significant exposure to Cu, Au and Mo and potentially Re**
  - LOM copper production of 82mlbpa at C1 cost of US\$0.88/lb (net of by-products) for 22 years, subsequent to an initial capital cost of US\$1bln
  - Inaugural after-tax NPV<sub>8%</sub> of C\$550m and IRR of 14.3%
  - Low strip ratio of 0.72 w:o

## Tangible Upside

- ▶ **Improved gold and copper recoveries to be included in updated PEA currently underway**
  - Expansion of North Island Project resource
  - Rhenium credit to be included in updated PEA currently underway

## Exceptional Leadership

- ▶ **Sam Lee, +\$100 billion of M&A and equity transactions over 20 years**
- ▶ **Dale Corman, CEO of Western Silver and Gold - \$1.2 billion merger with Glamis**
- ▶ **Jack McClintock, 1998 PDAC prospector of the year award for discovery of Spence deposit, Chile**
- ▶ **Kevin O’Kane, ~40yrs of mining experience with BHP and SSR – including 12yrs as Chief Mining Eng. at Island Copper Mine**

## Premier Mining Jurisdiction

- ▶ **British Columbia ranks within the top quartile of the best mining jurisdiction in the world**
  - Five copper-gold mines already in production with similar grade profiles to North Island Project
  - The Fraser Institute ranks British Columbia within the top quartile of best jurisdictions to invest in
  - Well established permitting process

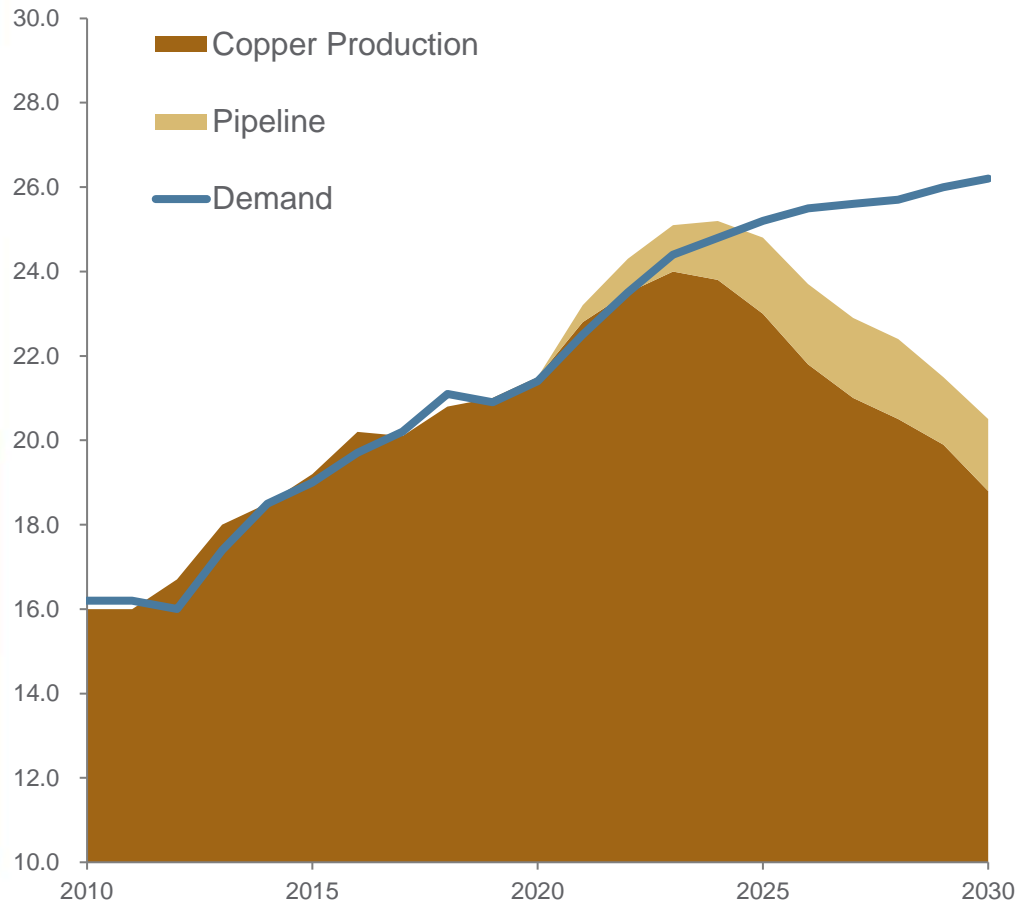
## Exploration Upside

- ▶ **District play with over 50 km of strike and numerous exploration targets including**
  - Pemberton Hills Venture with Freeport: potential for Reservoir-type deposit
  - Red Dog, NW Expo and Goodspeed targets
  - Further potential to enhance recoveries and mine design to improve economics

# The World Needs a Lot More Copper

The time is now...

Global Copper Supply / Demand (mt)



## Stronger Demand

- Post-COVID global stimulus will result in large infrastructure projects
- The push toward electric vehicles and renewables is expected to add +6mt of demand by 2040

## Weaker Supply

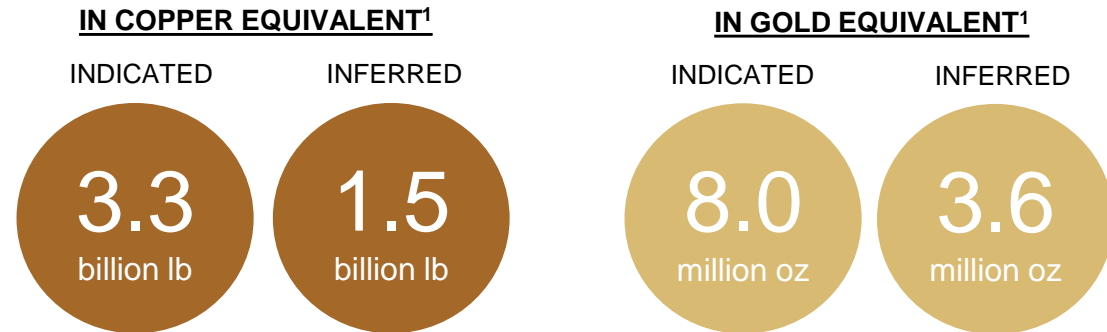
- 2020 production disruptions due to COVID
- Peak global copper production expected in 2023
- Lower ore grades
- Decreasing exploration expenditures resulting in a lack of new discoveries

**~5 million tonne deficit by 2027 equivalent to annual production of 45 new porphyry copper deposits**

# Northisle Overview

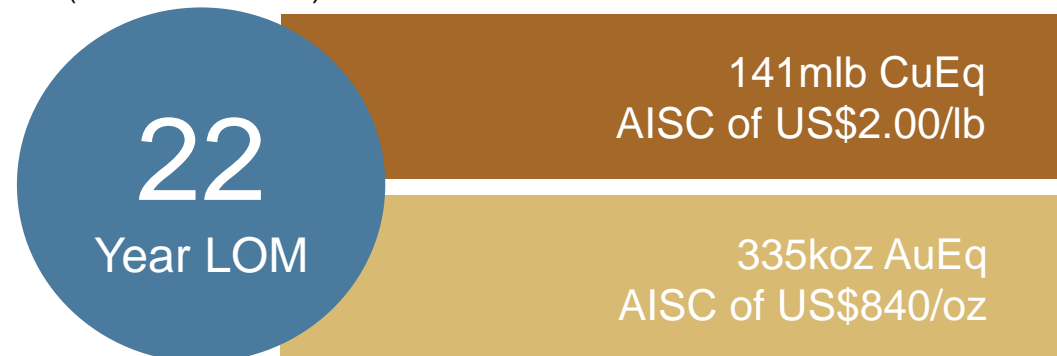
- Owner of 50km of copper gold porphyry trend on northern Vancouver Island
- Access to pre-existing BHP infrastructure in a mining-friendly community
- PEA update underway at 100% North Island Project
  - ✓ Incorporates improved metallurgical recoveries
  - ✓ Updated metal prices, exchange rates, capex and opex
  - ✓ Targeting 20% after-tax IRR
  - ✓ Q1 2021 completion
- JV with Freeport-McMoran on the Pemberton Hills target
- Sound capital structure with no warrants outstanding
- District scale land position

## NORTH ISLAND PROJECT RESOURCE



## NORTH ISLAND PROJECT ANNUAL PRODUCTION PROFILE

(BASED ON PEA<sup>2</sup>)



1. Cu & Au Eq calculated using US\$3.10/lb Cu, US\$1300/oz Au and US\$9.00/lb Mo and is not adjusted for mining and metallurgical recoveries as these remain uncertain. Re values have not been used in the cut-off grade or Cu & Au Eq calculations.

2. The Preliminary Economic Assessment ("PEA") is preliminary in nature and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would allow them to be categorized as mineral reserves and there is no certainty that the preliminary economic assessment will be realized.

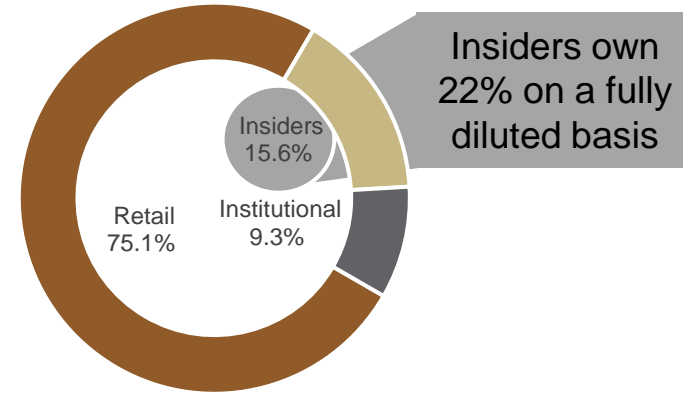


# Corporate Snapshot

## CAPITAL STRUCTURE

Shares Outstanding	146,419,194
Market Capitalization (C\$0.27 – Dec 11, 2020)	C\$40 million
Options (C\$0.05 – C\$0.20)	11,735,000
Warrants	-
Fully Diluted	158,154,194
Cash (Pro Forma)	C\$3.4 million
Debt	-

## SHAREHOLDER DISTRIBUTION



## ANALYST COVERAGE



Michael Gray

## SHARE PRICE

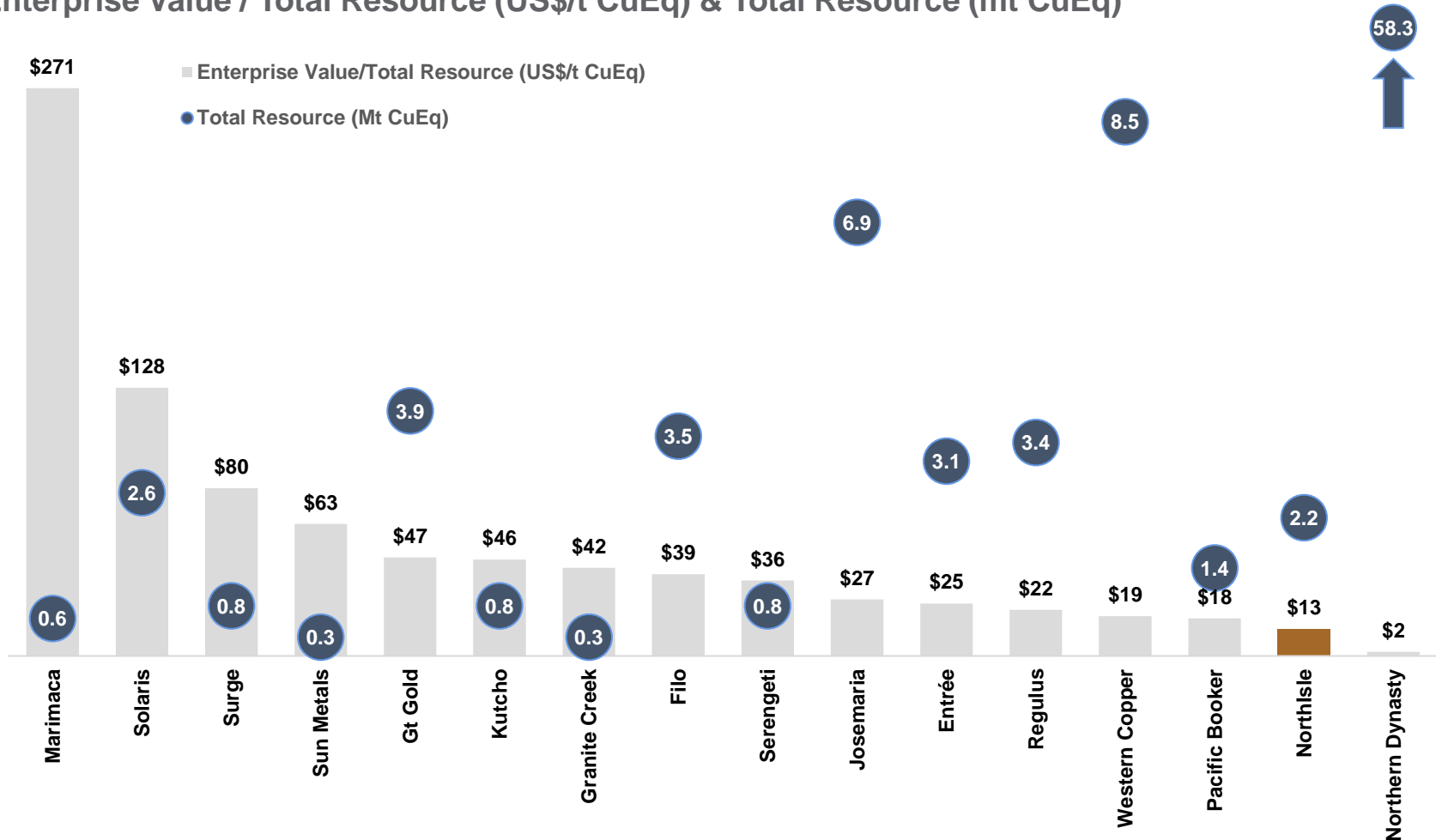


**NCX**  
TSXV

# Northisle is Undervalued

Northisle has a large resource base that is valued well below its peer group

Enterprise Value / Total Resource (US\$/t CuEq) & Total Resource (mt CuEq)



# Strong Leadership

Proven Mine Finders, Developers and Financiers

## **Sam Lee** *President & CEO*

Advised on +\$100 billion of M&A and equity transactions over 20 years including several large porphyry projects

## **Dale Corman** *Chairman*

### **Peñasquito Deposit**

Discovery through to Feasibility  
Sold to Glamis Gold for \$1.2 billion

## **Kevin O’Kane** *Director*

### **Spence, Cerro Colorado & Minera Escondida (BHP)**

Former Chief Mining Engineer at the Island Copper Mine (12 years)

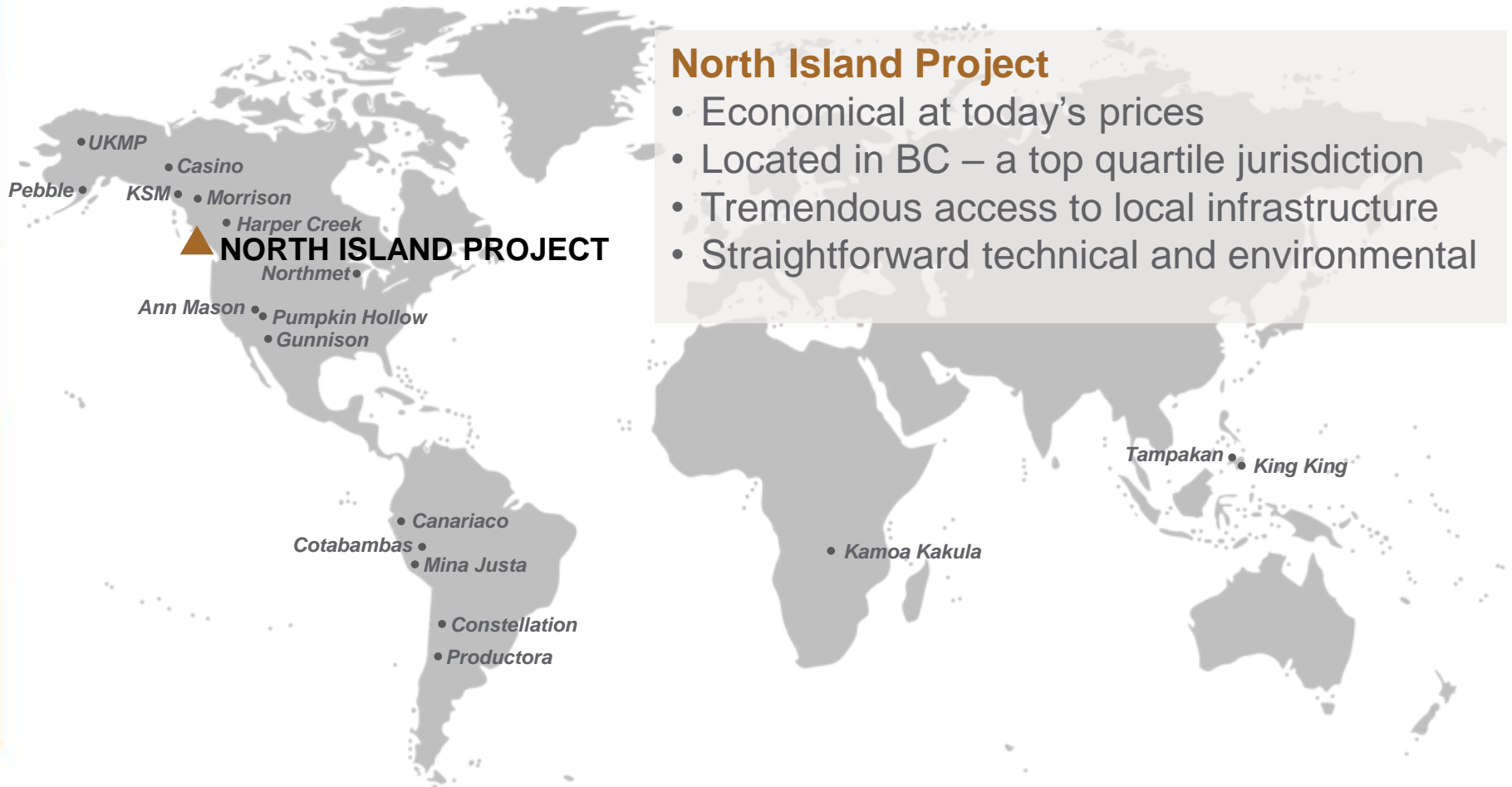
## **Jack McClintock** *VP Ex*

### **Discovered Spence Deposit (BHP)**

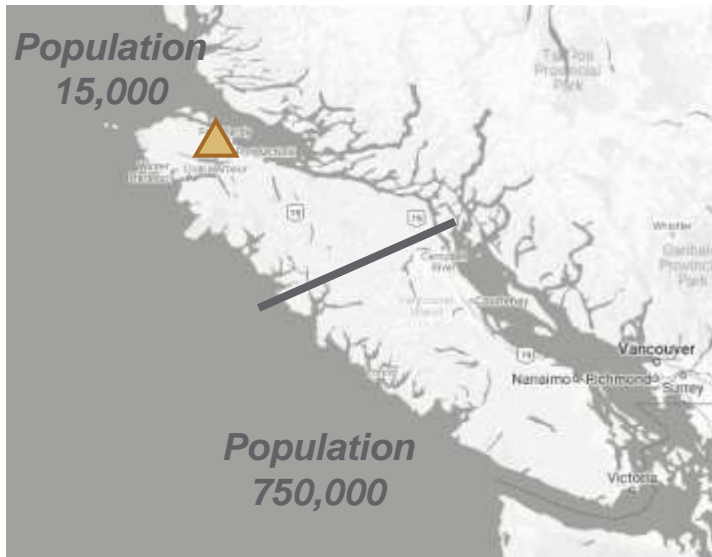
Production: ~230ktCupa  
Current Resource: 1.35bt @ 0.49%CuEq<sup>1</sup>  
Discovery Cost: C\$5 million



# Few Copper Projects Are Still Controlled by Juniors



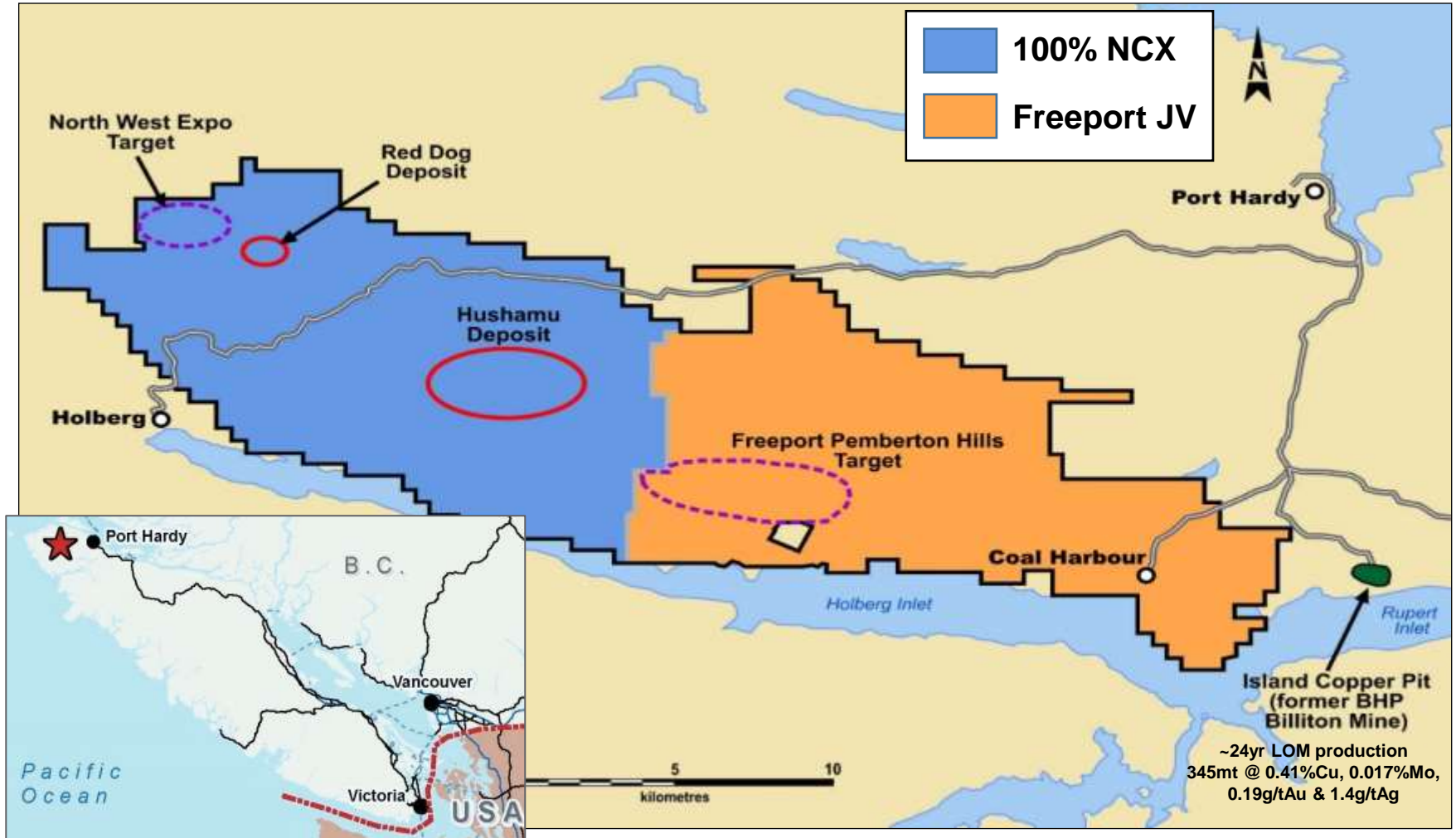
# BC: Supportive Tier 1 Jurisdiction



- ✓ Top quartile best mining jurisdiction (F.I.)
- ✓ Numerous mines permitted in last 10 years, most recently Brucejack
- ✓ 5 copper-gold deposits currently in production
- ✓ Northern Vancouver Island is dependent on resource-based industries
- ✓ Local communities support mining from positive experience with previous Island Copper operation (BHP) & active large-scale aggregate quarry
- ✓ Port Hardy's FILOMI (Fishing, Logging, Mining) Day festival celebrates region's main economic drivers

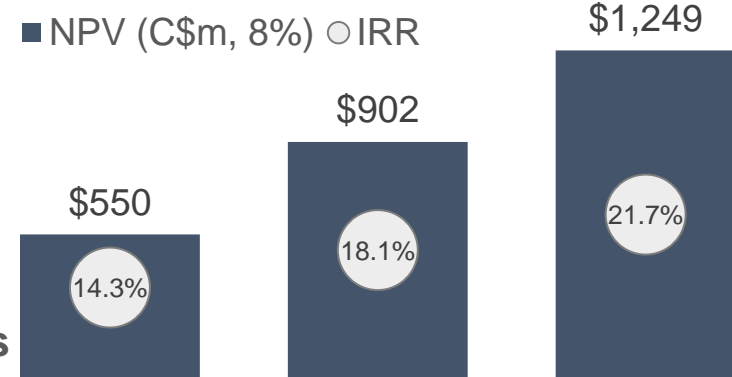
# Advancing a 50km Porphyry District

- 1) 100% owner of the PEA-stage North Island Copper-Gold Project
- 2) Joint Ventured with Freeport on exploration grounds



# 2017 PEA Summary Economics

Robust Economics with Significant Upside to Current Metal Prices



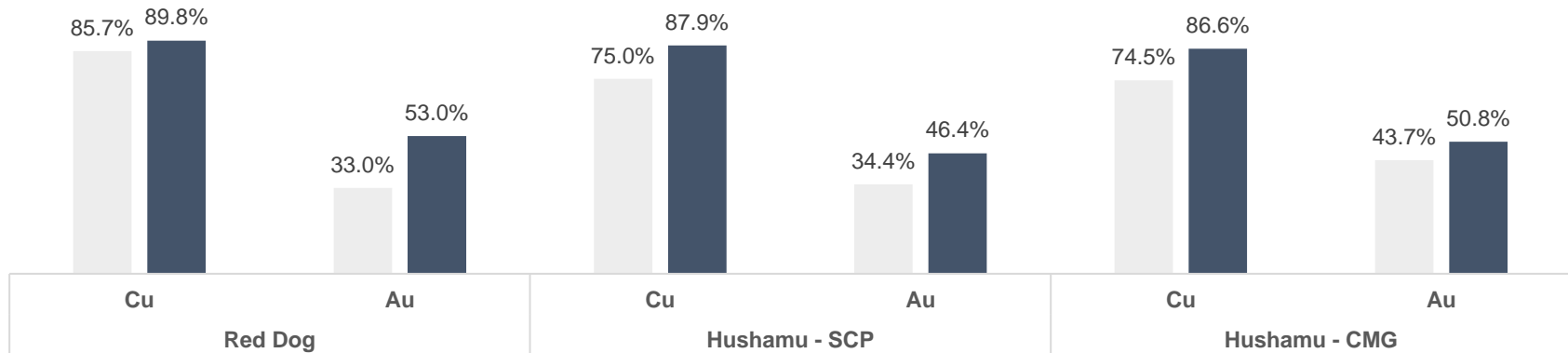
Metal Price Comparison				After-tax Economics			
Metal	Spot <sup>1</sup>	2017 PEA	Δ%	Metal Price Scenario	2017 PEA <sup>2</sup>	2017 PEA +10%	2017 PEA +20%
<b>Cu</b>	\$3.50	\$3.10	13%	NPV <sub>8%</sub>	C\$550m	C\$902m	C\$1,249m
<b>Au</b>	\$1840	\$1300	42%	IRR	14.3%	18.1%	21.7%
<b>Mo</b>	\$9.10	\$9.00	1%	Payback	5.1 years	4.1	3.6
				C1 Cash Cost <sup>1</sup>	US\$0.88/lb Cu	----- Not updated -----	
				Capital Cost	C\$1.3Bn	----- Not updated -----	
				Sustaining Capital	C\$139m	----- Not updated -----	

The Preliminary Economic Assessment ("PEA") is preliminary in nature and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would allow them to be categorized as mineral reserves and there is no certainty that the preliminary economic assessment will be realized.

# Catalysts for Project Value Creation

Low-risk value enhancements likely to further improve economics

## I. Incorporate improved recoveries in updated PEA ■ 2017 PEA ■ 2020 SGS Testing

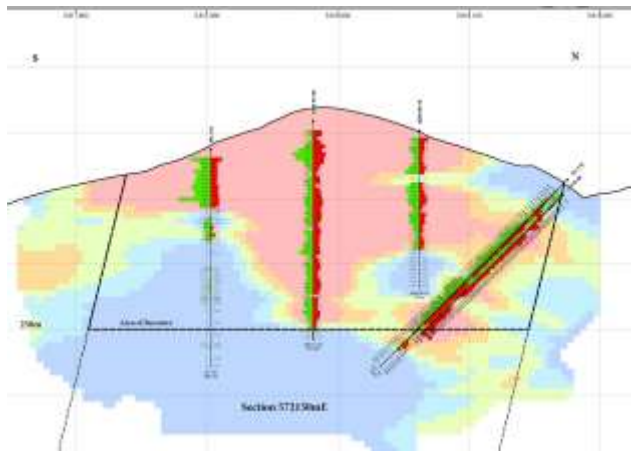


- II. Use BHP pit located 30km away for waste disposal via slurry pipeline – reduced surface footprint and capex
- III. Optimize production rate: if going to 85ktpd or 90ktpd throughput – further economies of scale
- IV. Expand brownfields Hushamu resource: the deposit is open to the southeast – potentially expand the deposit by up to 300m
- V. Convert low grade area in the south of the deposit through future drilling – further decrease the already low 0.72:1 strip ratio

# Simple and Straightforward Mining

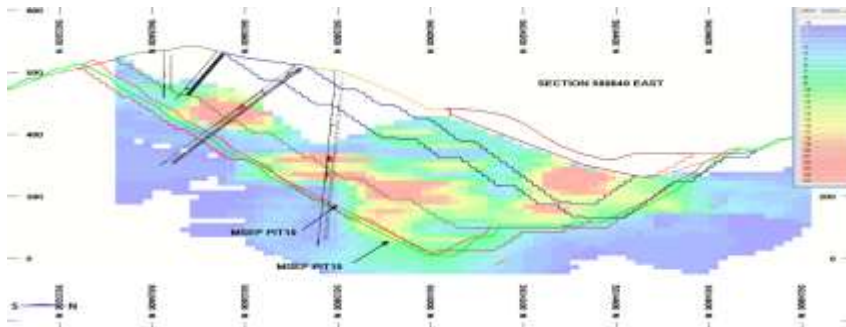
Highlighted by low total strip ratio of 0.72:1

## Cross Section of Red Dog



- ▶ **Red Dog** represents a higher-grade initial feed source which outcrops at surface
  - ▶ Strip ratio less than 0.2x
  - ▶ High potential to expand
- ▶ **Hushamu** represents a large tonnage porphyry system which has been displaced closer to surface
- ▶ All-in strip ratio of 0.72:1
- ▶ Predictable copper porphyry structure with significant ability to expand with minimal drilling

## Cross Section of Hushamu

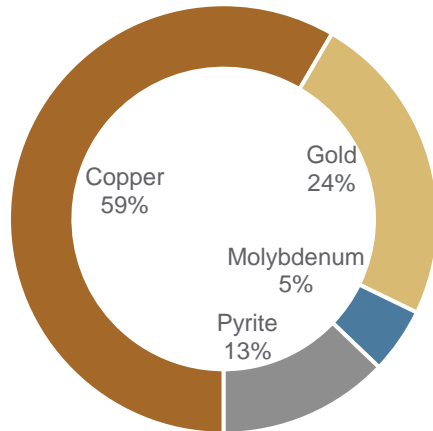




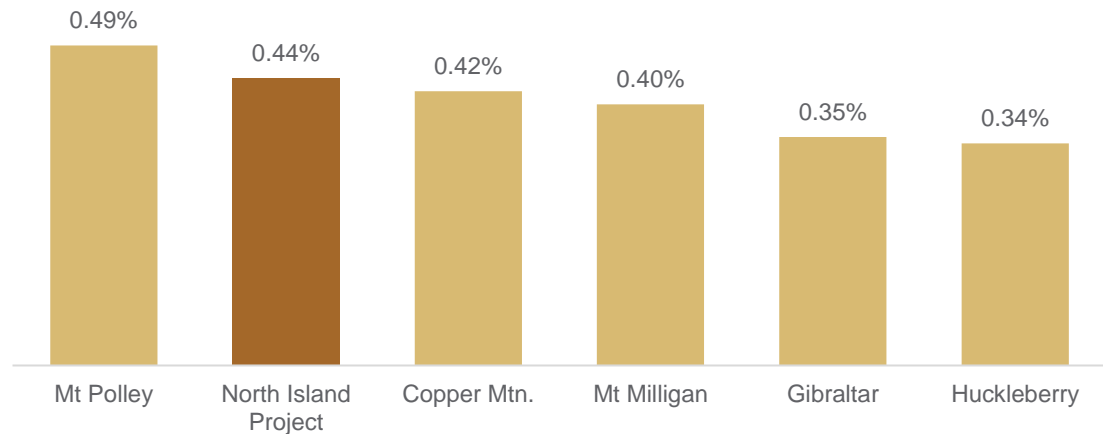
# Overview of Resources

Grades compare well with current operating mines in British Columbia

## METAL VALUE DISTRIBUTION (based on revenue)



## M&I RESOURCE GRADE FOR CURRENT BC OPERATING MINES



	Tonnes, '000	Grade		Contained Metal								
		Cu, %	Au, g/t	Mo, %	Re, ppm	CuEq, %	Cu, blb	Au, moz	Mo, mlb	Re, t	CuEq, blb	AuEq, moz
<b>Red Dog</b>												
Indicated	36,568	0.27%	0.38	0.005%	-	0.52%	0.22	0.45	4.0	-	0.42	0.99
Inferred	1,774	0.20%	0.30	0.003%	-	0.39%	.01	0.02	0.1	-	0.02	0.04
<b>Hushamu</b>												
Indicated	305,180	0.24%	0.28	0.008%	0.54	0.43%	1.62	2.75	53.8	165	2.92	6.97
Inferred	189,640	0.19%	0.24	0.007%	0.35	0.36%	0.79	1.46	29.3	66	1.49	3.56
<b>Total</b>												
Indicated	341,743	0.24%	0.29	0.008%	0.48	0.44%	1.83	3.2	57.8	165	3.34	7.96
Inferred	190,788	0.19%	0.24	0.007%	0.35	0.36%	0.80	1.48	29.4	66	1.51	3.60

# Near Brownfield Development

Infrastructure in place due to previous BHP operation reduces execution risk

## Good existing infrastructure due to previous BHP operation at Island Copper

- A marine load out structure and a 138kV BC Hydro substation exist at the reclaimed Island Copper Mine, approximately 27km from the North Island project

## The nearby town of Port Hardy is the main distribution centre for the north end of Vancouver Island

- Has an airport with 3 daily flights to Vancouver, a hospital, schools and a college
- All parts of the North Island Project are accessible from Port Hardy through a network of logging roads

## Concentrate receiving, storage, and loadout to ships at a facility to potentially be developed on the site of former Island Copper marine terminal

- Approximate concentrate haul distance is 27km

### UPFRONT CAPITAL COST (in C\$ millions)

Mine	\$149m
Pre-Production	\$126m
Process	\$1,025m
Owner's Cost	\$45m
<b>Total</b>	<b>\$1,344m</b>

## Windmills at Red Dog

Power may be available from one of BC's largest wind farm complexes, situated adjacent to the property and the 138kV power line connecting the wind farm to the main BC power grid passes immediately north of the North Island Project



# Exploration Upside

33,000ha currently underexplored with less than 400 holes drilled...

## North Island Project Expansion

- ▶ **Expansion of North Island Project resource**
  - Hushamu Deposit open for 300m to the southeast
  - Previously supposed barren zone in poorly drilled southern part determined by 2017 infill drilling to have long sections of mineralization above cut-off grade - if confirmed will convert waste area to mineralization and further reduce strip ratio

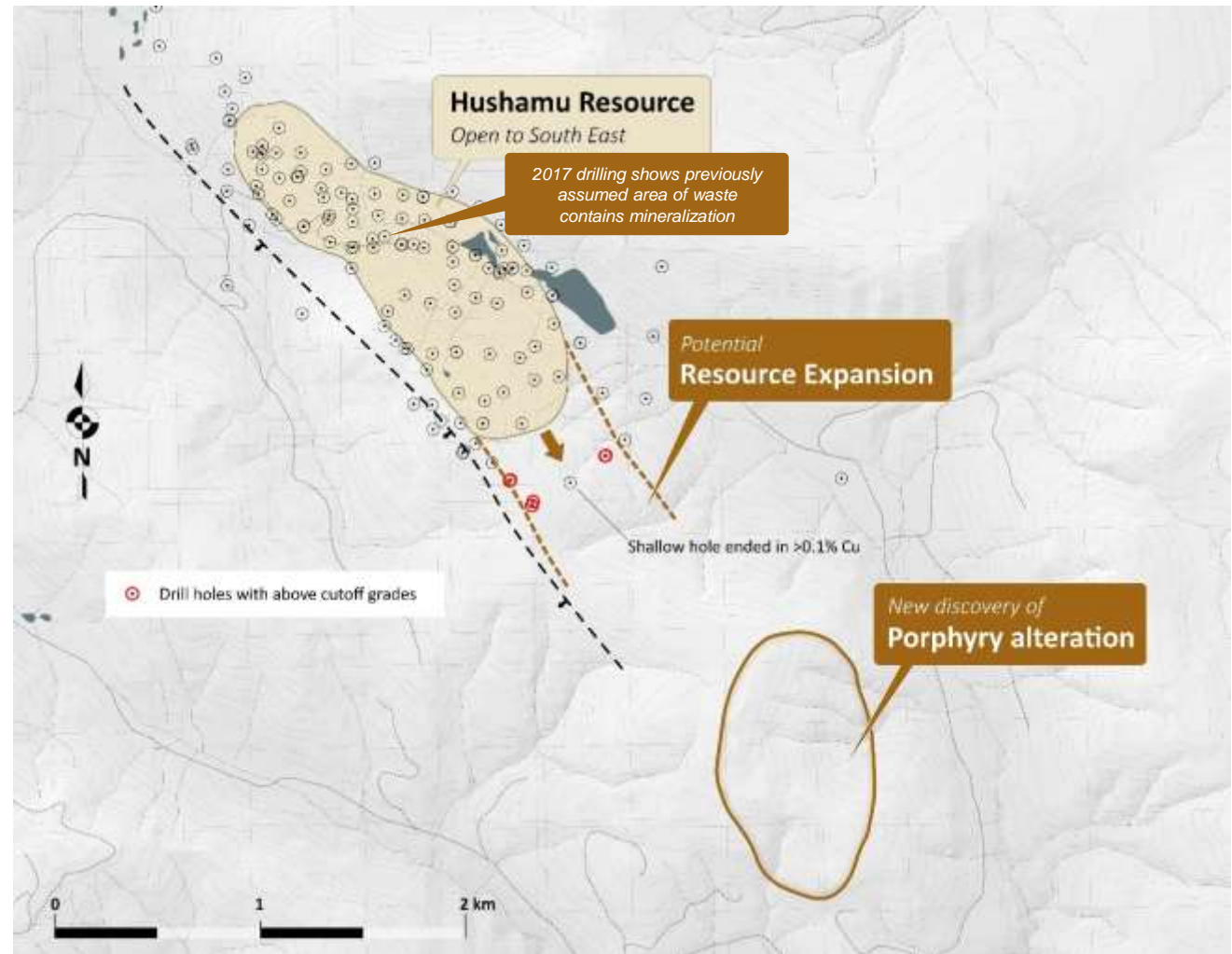
## New Deposit Discovery

- ▶ **Multiple additional targets for copper-gold porphyry deposits including:**
  - **Pemberton Hills:** 3.5km x 1.5km high-level intense alteration zone with deepest hole ending in 0.14%Cu
  - **Northwest Expo:** 1.5km open IP anomaly, partially tested with three holes all in copper-gold mineralization
  - **Red Dog South:** 1.2km x 0.8km high-level porphyry alteration with shallow holes showing increasing copper and gold with depth

# Hushamu Deposit Upside Potential

## Significant Opportunity for Expansion

- Deposit expansion to the southeast
- Converting supposed waste to mineralization

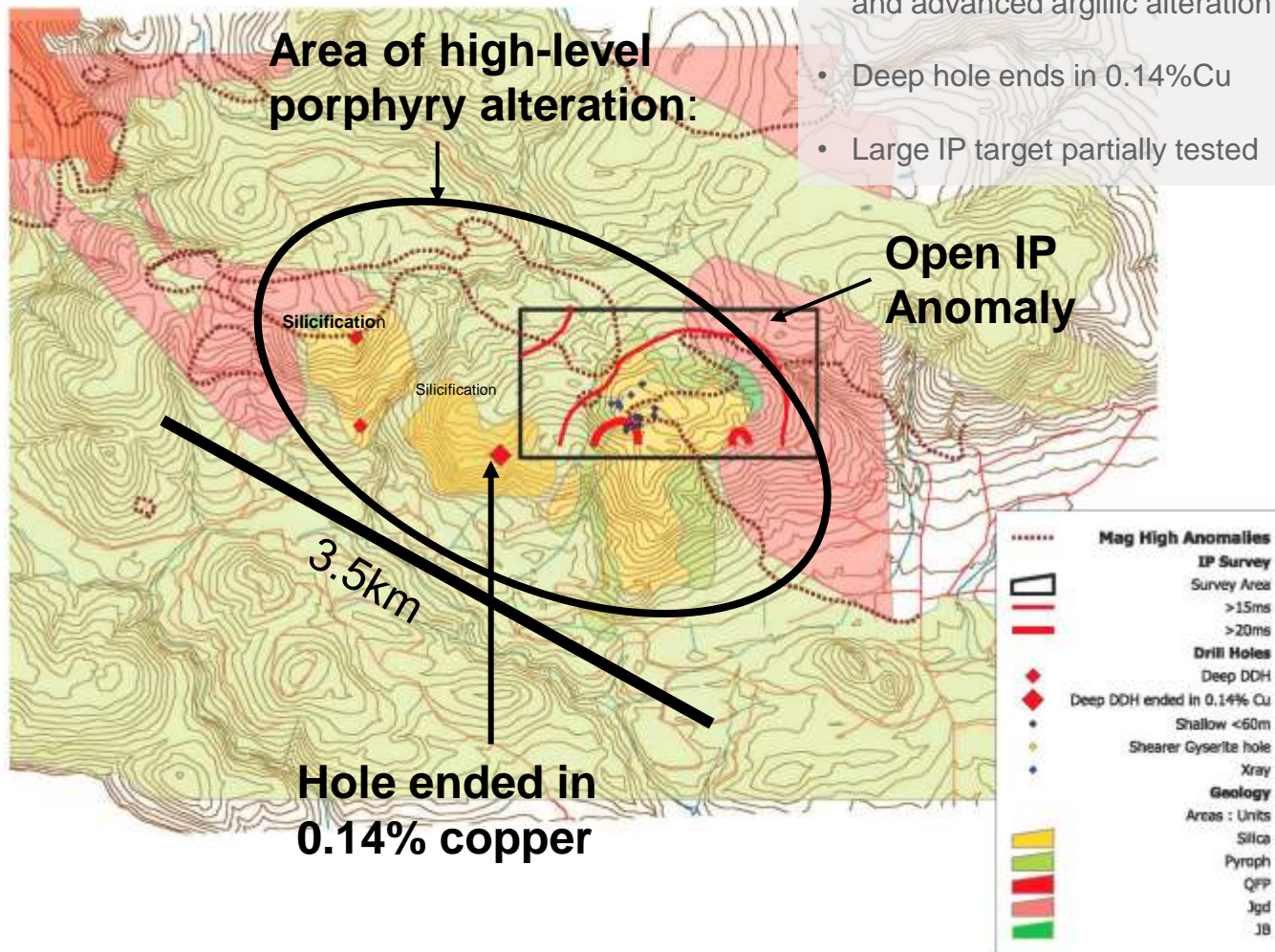




# Pemberton Hills Venture – Freeport

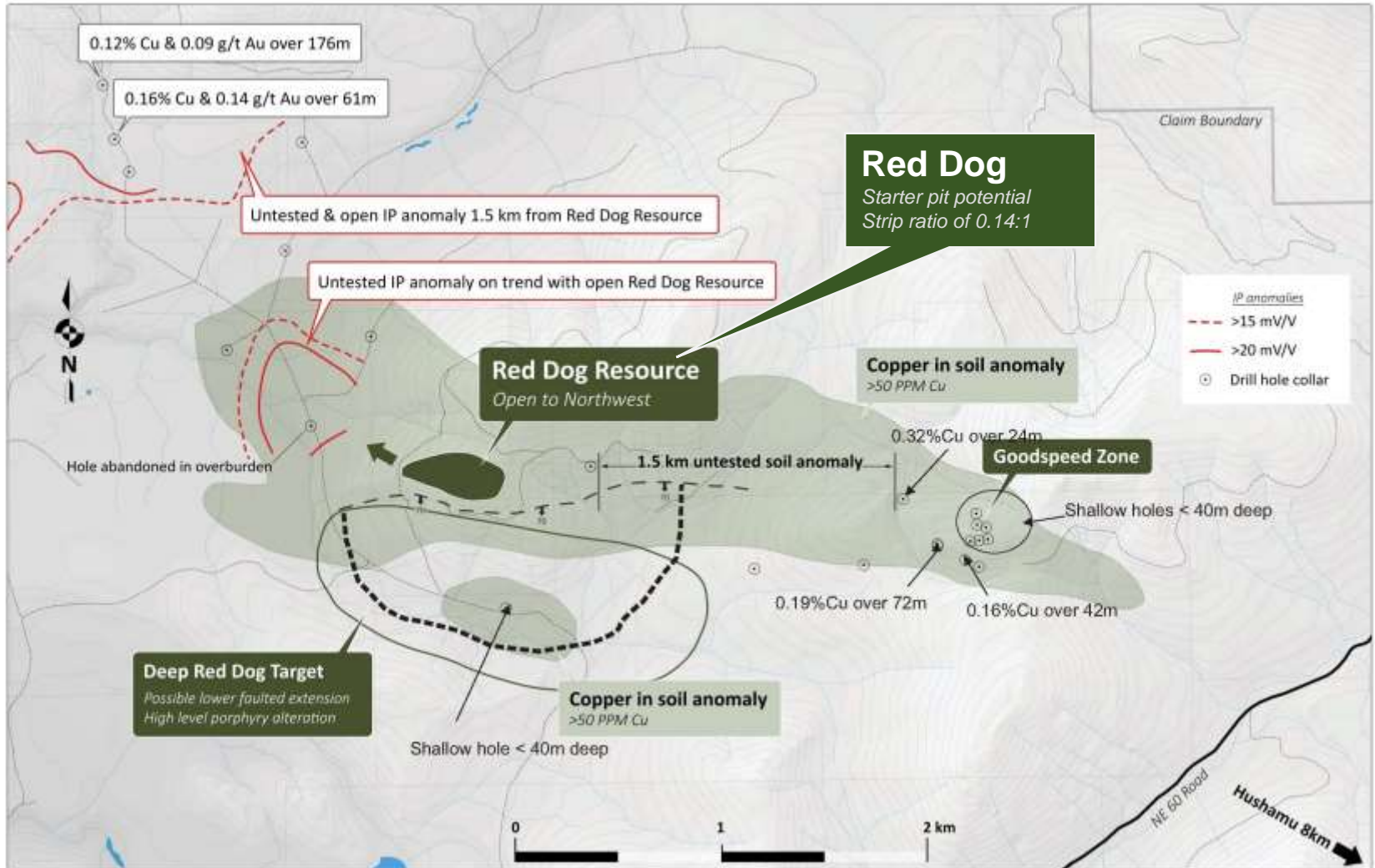
High level alteration indicative of underlying copper porphyry deposit

- 3.5km x 1.5km area of high-level silicification and advanced argillic alteration
- Deep hole ends in 0.14%Cu
- Large IP target partially tested



# Red Dog Upside Potential

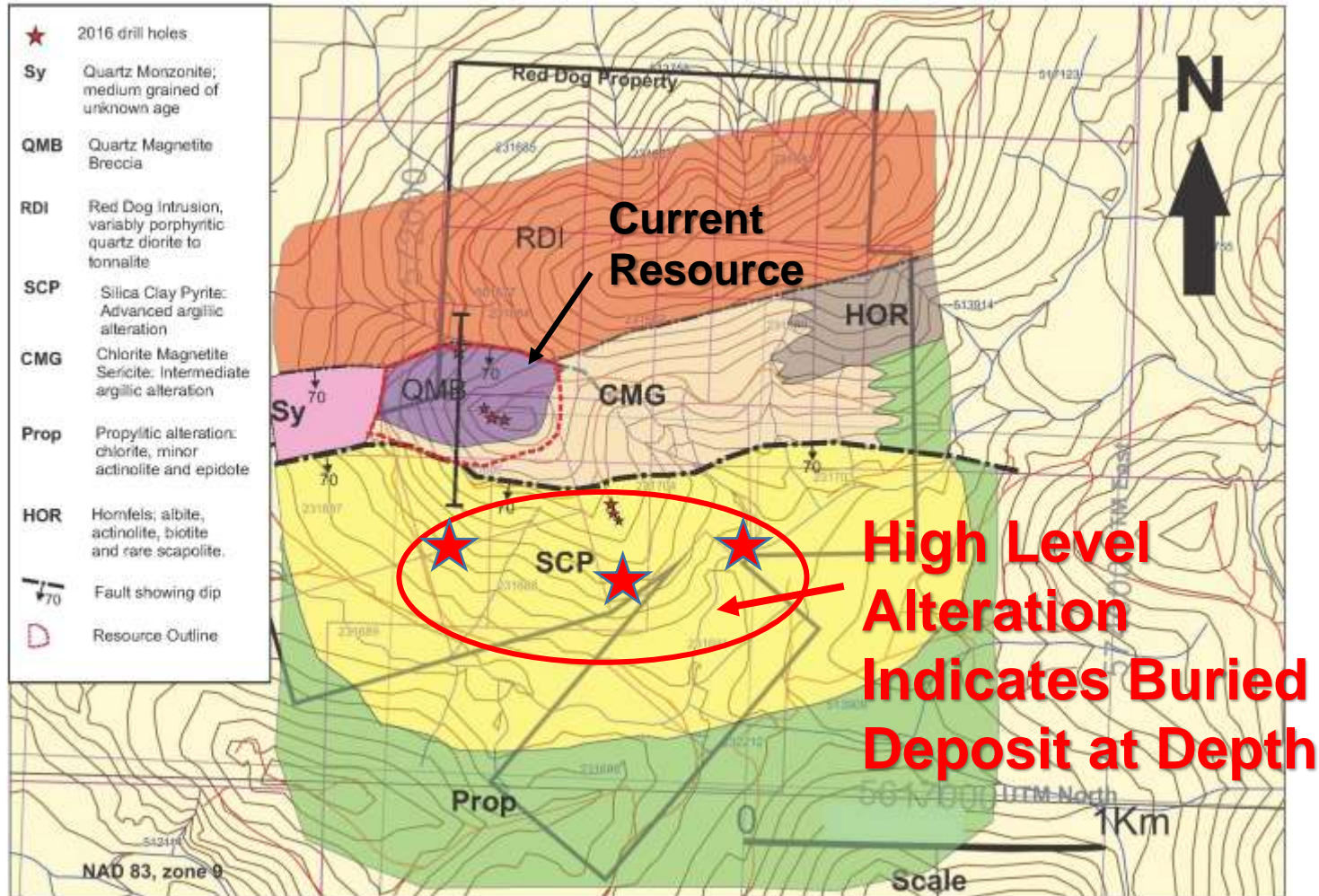
## North West Expo and Red Dog South Targets





# Red Dog South Target

## Red Dog Alteration Map



# Northisle Strategy

Build the leading sustainable mineral resource company for the future

- I. Update the North Island Project PEA for increased copper and gold recoveries, addition of Rhenium in the moly concentrate, pricing and costing
- II. Aggressively accelerate exploration activities through 2021
  - Expand the North Island Project deposit
  - Test Red Dog, Pemberton Hill and NW Expo targets
- III. Rapidly advance the North Island Project through to pre-feasibility contemplating using Island Copper Mine infrastructure
- IV. Advance First Nations and community partnerships in parallel with project development
- V. Take a disciplined approach to strategic alternatives including partnerships and M&A

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# APPENDIX

# Economics – Base Case

NorthIsle valuation attractive based on only the North Island Project

## Financial Parameters

Development Capital	<i>C\$m</i>	<b>\$1,344</b>
Sustaining Capital	<i>C\$m</i>	<b>\$139</b>
Operating Cost	<i>C\$/t</i>	<b>\$8.66</b>
After-tax Net Revenue	<i>C\$m</i>	<b>\$2,350</b>
After-tax NPV <sub>8%</sub>	<i>C\$m</i>	<b>\$550.4</b>
After-tax IRR	<i>%</i>	<b>14.3%</b>

## Production Parameters

Mine Life	<i>Years</i>	<b>22</b>
Cu	<i>mlbpa</i>	<b>82</b>
Au	<i>koz</i>	<b>79</b>
Mo	<i>mlbpa</i>	<b>3</b>
Py Concentrate	<i>ktpa</i>	<b>0.64</b>
C1 Cash Costs <sup>1</sup>	<i>US\$/lb</i>	<b>0.88</b>

## Metal Prices

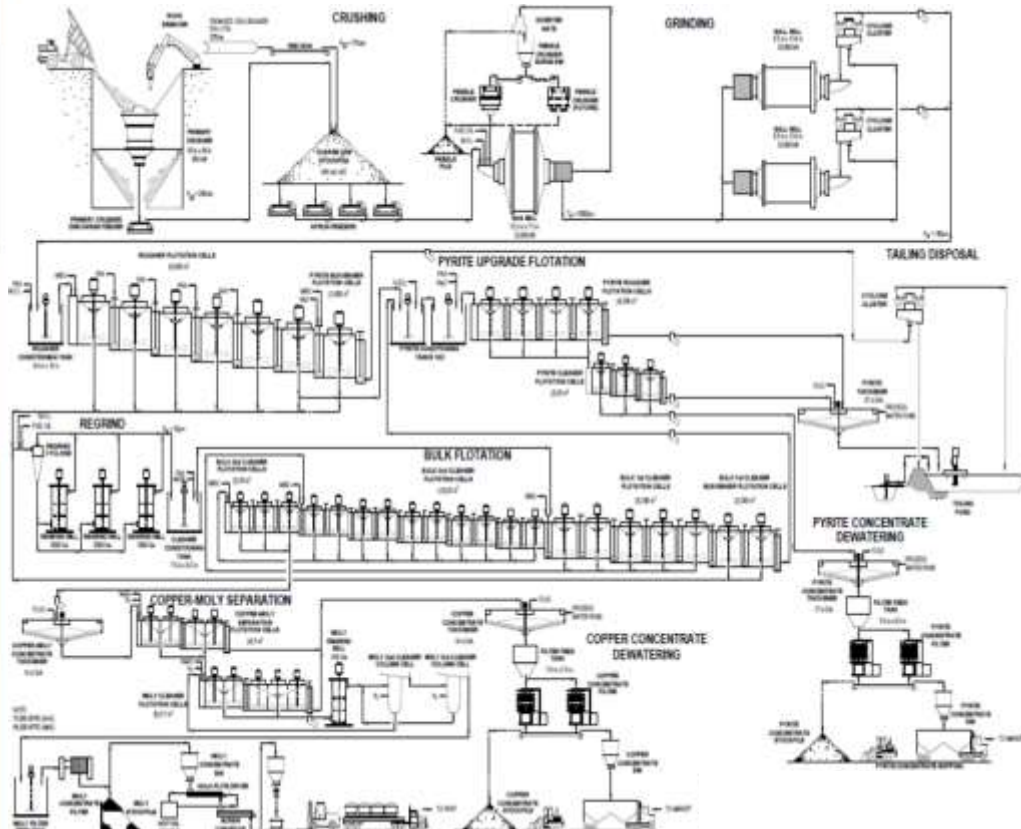
Cu	<i>US\$/lb</i>	<b>3.10</b>
Au	<i>US\$/oz</i>	<b>1,300</b>
Mo	<i>US\$/lb</i>	<b>\$9.00</b>
Py Concentrate	<i>US\$/t</i>	<b>\$86</b>
Exchange Rate	<i>CADUSD</i>	<b>0.75</b>

## Mineral Inventory

Ore	<i>mt</i>	<b>600</b>
Cu Grade	<i>%</i>	<b>0.18%</b>
Au Grade	<i>%</i>	<b>0.24</b>
Mo Grade	<i>%</i>	<b>0.008%</b>
Py Grade	<i>%</i>	<b>9%</b>

# Conventional Flotation

North Island Project conceptual flowsheet based on conventional process



- ▶ Single grinding line consisting of a 40ft diameter SAG mill with 23MW drive and two 28ft diameter ball mills with 20MW drives
- ▶ Sub-aqueous co-disposal of mine waste and tailings in a single waste storage facility (WSF)
- ▶ Bulk concentrate is separated into copper-gold, molybdenum and pyrite
- ▶ LOM recoveries for copper 78%, gold 38% and moly 60%
- ▶ Recent met test work indicates 86% Cu, 47% Au, Mo 60% (see September 1 and October 2 press releases)



# Board of Directors

## **Dale Corman** *Chairman*

Mr. Corman has over 40 years' experience as a senior corporate officer of publicly listed companies in Canada and the United States, as well as extensive expertise in mineral and geothermal exploration and development, property evaluation and acquisition, project financing, and corporate management. From 1995 to 2006, Mr. Corman was Chairman of the Board of Directors and Chief Executive Officer of Western Silver Corporation, where he was instrumental in the development of the Penasquito deposit. Under his leadership, Western Silver successfully advanced Penasquito through the exploration, resource and feasibility stages, ultimately culminating in the acquisition of the company by Glamis Gold Ltd for C\$1.2 billion. Mr. Corman is the Founder and currently Executive Chairman of Western Copper & Gold, where he has guided the company through the acquisition of the large Casino Copper-Gold project from its acquisition in 2006 through the completion of a bankable feasibility study (2013) and the initiation of permitting (2014). Mr. Corman received a B.S. in geology from Rensselaer Polytechnic Institute in Troy, New York, in 1961 and obtained Professional Engineer status in Ontario in 1972.

## **Sam Lee** *President & CEO, Director*

Mr. Lee was appointed to the role of President & CEO of Northisle in October 2020. Over the past 20 years Mr. Lee has advised on some of the most prominent M&A, equity, and debt transactions in the international and Canadian global mining industry totaling over \$100 billion in value. During this period, he has worked in major resource markets including Toronto, Sydney, and Vancouver where he led various strategic initiatives for CIBC World Markets. Most recently he was Managing Director and head of CIBC's Vancouver Mining Group. Mr. Lee holds a Bachelor of Applied Science, Faculty of Engineering, from the University of Toronto, was a graduate of the Lassonde Mineral Engineering program, and is a CFA charter holder.

## **Martino De Ciccio** *Non-Executive Independent Director*

Mr. De Ciccio is Vice President Strategy and Investor Relations at Endeavour Mining, a position he assumed in 2015. Mr. De Ciccio has built a track-record of significant value creation over the past 12 years in the mining industry. Prior to joining Endeavour, he held the position of Strategy and Business Development Manager at La Mancha Resources, where he played a pivotal role in growing the company from an emerging gold producer into one of the largest gold funds with cornerstone holdings in both Evolution Mining and Endeavour Mining. Mr. De Ciccio won the Emerging Leader award in 2016 and was nominated for the IR Rising Star award in 2017 and three IR awards in 2019 including Best Mid-Cap IR Officer. Mr. De Ciccio earned a B.Comm in Finance from McGill University. He is a Chartered Financial Analyst and a member of the CFA Institute.

## **David Douglas** *CFO, Director*

Mr. Douglas is a CPA, CA with over 30 years of experience in the accounting, corporate finance, and mining industries. He has served as Chief Financial Officer and Corporate Secretary to a number of junior mining companies and has participated in the sale or financing of over 30 private and public enterprises with a combined value of over \$400million. Mr. Douglas is a graduate of the Commerce Program (Finance) at the University of British Columbia and is a member of the Chartered Professional Accountants of British Columbia.

## **Kevin O'Kane** *Non-Executive Independent Director*

Mr. O'Kane has nearly 40 years of extensive business and operating leadership expertise in the natural resource industry. He spent 37 years at BHP Billiton developing, expanding, and operating some of the most formative copper mines in the world which included Spence, Cerro Colorado and Minera Escondida. Mr. O'Kane started his career at the Island Copper Mine situated adjacent to Northisle's project, and spent the following 12 years progressing to the role of Chief Mining Engineer. During his tenure at BHP Billiton he also served as Vice President Health, Safety, Environment and Community for the Copper Business. Most recently, Mr. O'Kane held the position of Executive Vice-President and Chief Operating Officer at SSR Mining Inc, where he led all aspects of its operations, permitting, and sustainability programs globally while achieving record production at all three of its producing mines. Mr. O'Kane also serves on the board of SolGold Plc.

## **Larry Yau** *Non-Executive Independent Director*

Mr. Yau has over 20 years of financial and business experience gained primarily in the mining and resources sectors. Currently, Larry is the CEO of Spanish Mountain Gold Ltd. an advanced gold exploration company based in British Columbia. Prior to this, Larry was the Chief Financial Officer for two junior mining companies where he was instrumental in the financing, development and construction of mines in North America. Larry was also Manager, Corporate Development, at Placer Dome Inc. until its acquisition by Barrick Gold Corp. and participated in several high-profile, international acquisitions. He is a Canadian Chartered Professional Accountant.